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STATE BOARD

OF
ACCOUNTANCY

State of Florida



THE ACCOUNTANCY LAW AND
RULES OF THE BOARD RELATING TO
PRACTICE OF ACCOUNTANCY.

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STATE BOARD
OF
ACCOUNTANCY
STATE OF FLORIDA

JOSEPH A. SWEENEY, C.P.A., *Chairman*
LUTZ, FLORIDA

CHARLES C. POTTER, C.P.A., *Secretary*
338 North Main Street
ORLANDO, FLORIDA

HARRY BLUMIN, C.P.A.
420 Lincoln Road
MIAMI BEACH, FLORIDA

CHARLES B. COSTAR, C.P.A.
903 First National Bank Building
MIAMI, FLORIDA

GEORGE W. DANDELAKE, C.P.A.
204 Smith Building
JACKSONVILLE, FLORIDA

ADDRESS ALL COMMUNICATIONS TO:

ELIZABETH SHIELDS, *Executive Secretary*
831 duPont Building
MIAMI 32, FLORIDA



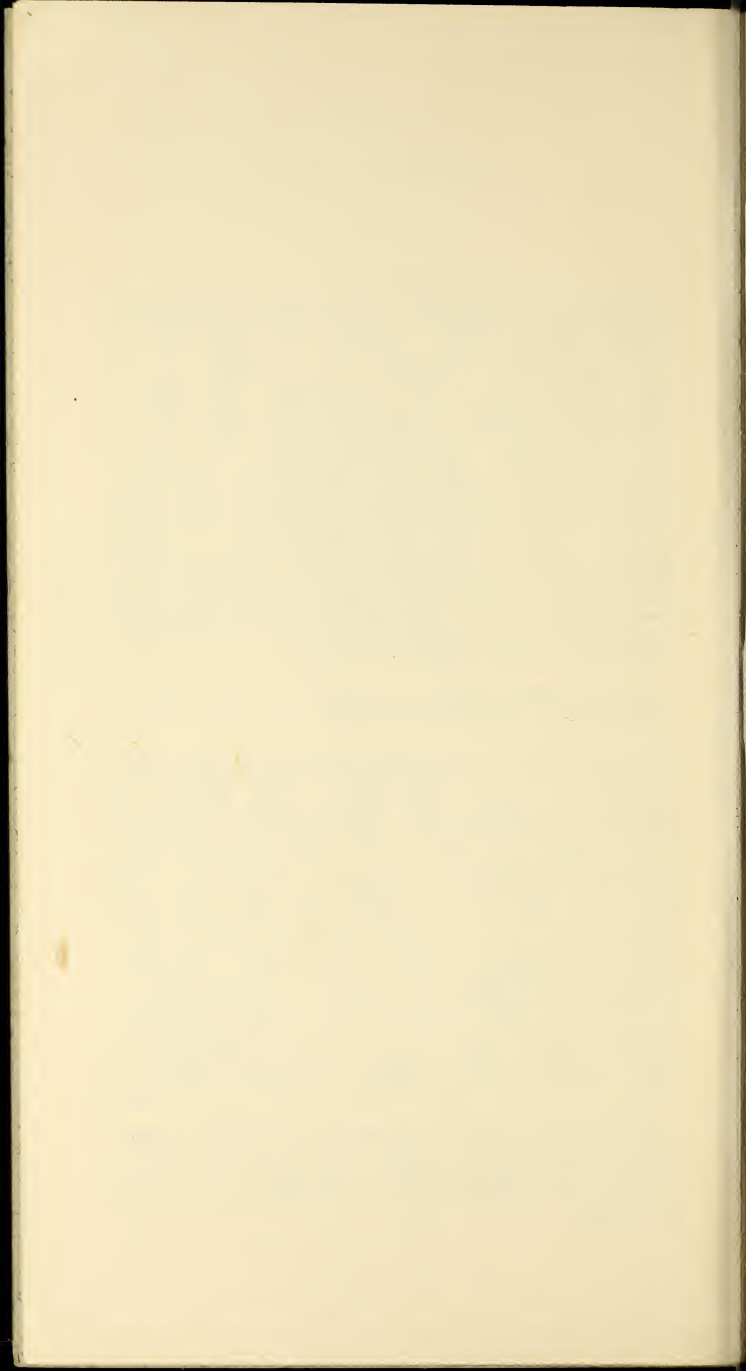
Dept of Insur. Office, 5/15/52.

Dept of Insur. Office, 5/1/52.

to Mrs

to Mrs

All Certified Public Accountants and Public Accountants are required to register annually with the State Board of Accountancy. Failure to register as required subjects such practitioner to suspension of his right to practice.



LAW RELATING TO PRACTICE OF ACCOUNTANCY

CHAPTER 473, FLORIDA STATUTES 1949, AND AS SUBSEQUENTLY AMENDED.

- 473.01 Definition of terms used in chapter.
- 473.02 "Public Accounting" defined.
- 473.03 State board of accountancy; terms and qualifications.
- 473.04 Powers and duties of board.
- 473.05 Power of board to enjoin violations and to compel obedience to law or regulations.
- 473.06 Organization of board; to keep records.
- 473.07 Meetings of board; quorum.
- 473.08 Qualifications of applicant for examination.
- 473.09 Application; fee; disposition of fee.
- 473.10 Examination of applicants; subjects.
- 473.11 (Repealed by Chapter 26483, Florida Laws 1951.)
- 473.12 Registration and payment of fees by accountants.
- 473.13 Publication of lists of accountants.
- 473.14 Temporary certificate.
- 473.15 Communications between accountant and client privileged.
- 473.16 Unlawful for certificate holders to act as agent for non-resident accountant; exceptions.
- 473.17 Use of "Certified Public Accountants" and "Public Accountants" in firm name.
- 473.18 Records, etc., to remain property of accountant.
- 473.19 Certificates granted to holders from other states.
- 473.20 Revocation of certificate; grounds; procedure.
- 473.21 Disposition of fees; compensation of board members; disposition of surplus money.
- 473.22 Card, sign, etc., as evidence against accountant.
- 473.23 Penalty for specific violations.
- 473.24 Use of title "Certified Public Accountant" and "Public Accountant"; penalty.
- 473.25 Practicing without certificate unlawful; penalty.
- 473.26 Each member of firm must have certificate; management of office; practicing under an assumed name; penalty.
- 473.27 Occupational licenses.
- 473.28 (This section expired by its own terms on April 1, 1949.)
- 473.29 Exceptions.

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473.01 DEFINITION OF TERMS USED IN CHAPTER.—Wherever the term “certified public accountant” is used in this chapter, it shall be deemed and construed to mean a person holding a certificate to practice as a certified public accountant issued under this chapter, or any law of the State of Florida heretofore in force and effect.

Wherever the term “public accountant” is used in this chapter, it shall be deemed and construed to mean a person holding a certificate of authority to practice as a public accountant issued under the provisions of this chapter or any law of the State of Florida.

Wherever the term “board” is used in this chapter, it shall be deemed and construed to mean the state board of accountancy created under this chapter, unless otherwise specified.

473.02 “PUBLIC ACCOUNTING” DEFINED.—A person, either individually or as a member of a firm or an officer or employee of a corporation, shall be deemed to be engaged in practice of public accounting within the meaning and intent of this chapter:

(1) Who holds himself out to the public in any manner as one who is skilled in the knowledge, science and practice of accounting and as qualified to render professional services as an accountant for compensation; or

(2) Who maintains an office for the transaction of business as a public accountant, or who, except as an employee of a public accountant, practices accounting, as distinguished from bookkeeping for more than one employer; or

(3) Who offers to receive clients to perform for compensation, or who does perform upon behalf of clients for compensation, professional services that involve or require an audit or verification of financial transactions and accounting records; or

(4) Who prepares, signs or certifies for clients, reports of audits, balance sheets and other financial, accounting and related schedules, exhibits, statements, or reports which are to be used for publication or for credit purposes, or are to be filed with a court or other tribunal or governmental agency, or used for any other purpose; or

(5) Who in general, or as an incident to such work, renders professional assistance to clients for compensation in any or all matters relating to accounting procedure and the recording, presentation and certification of financial facts; or

(6) Who prepares for another or signs any statement, schedule, audit, balance sheet, or other document or paper reflecting, or purporting to reflect, the results of

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an audit or examination of the financial records or books of account of such person, which is used, or intended to be used, for the purpose of obtaining or soliciting any loan or credit.

473.03 STATE BOARD OF ACCOUNTANCY; TERMS AND QUALIFICATIONS.—The governor shall appoint five persons, each of whom shall be a resident of the State of Florida and shall hold a certificate as a certified public accountant issued by the state board of accountancy of this state, and such persons and their successors in office shall constitute the state board of accountancy and shall have and exercise all the powers and authority vested by law in said board.

All appointments to membership upon said board shall be for four years from the termination of the now existing terms. All persons appointed to membership upon said board shall hold office, after the expiration of their respective terms, until their successors are appointed and qualified. All vacancies upon the board shall be filled by appointment by the governor for the unexpired term. No person shall ever be appointed to membership upon such board unless he shall at the time of such appointment be the holder of a certificate as a certified public accountant issued by the board.

473.04 POWERS AND DUTIES OF BOARD.—The board is charged with the responsibility for the administration of this chapter and may design and use a seal, compel the attendance of witnesses, administer oaths, take testimony and receive proofs concerning all matters within its jurisdiction. It shall formulate rules for its guidance, not inconsistent with the provisions of this chapter, and shall print the same for distribution. It shall prescribe a standard of professional conduct and formulate reasonable rules defining unethical practices for persons holding certificates under this chapter. Every person practicing as a public accountant or as a certified public accountant in this state shall be governed and controlled by the rules and standards adopted by the board. (See standard of professional conduct and rules, at end hereof.)

473.05 POWER OF BOARD TO ENJOIN VIOLATIONS AND TO COMPEL OBEDIENCE TO LAW OR REGULATIONS.—Whenever it shall appear to the board that any person is violating or about to violate the terms and provisions of this chapter, the board may file a bill in equity in its own name, or proceedings in mandamus in the name of the State of Florida, on its own relation, and by its counsel alleging the facts and praying for an injunction or writ of mandamus as the case may be against such person, partnership, or corporation, and

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its members, officers, or directors restraining them from further violating, or commanding them to obey, such law.

Upon proper application and showing that the defendant has not registered as required by the terms and provisions of this chapter, or that the defendant is not in good standing under any certificate that may have been theretofore issued, or is violating any of the provisions of this chapter, or that a certificate to practice accountancy as a public accountant or certified public accountant has been denied said defendant, or suspended or revoked, or that this chapter has been or is about to be, or is being violated or disobeyed, which showing may be made by affidavit, the judge of the court wherein the bill shall be filed shall issue a restraining order or alternative writ of mandamus and upon the final hearing shall grant and issue an injunction including a mandatory injunction, or a peremptory writ of mandamus as prayed upon finding the truth and sufficiency of the bill or petition as the case may be.

The court may enforce said injunction or writ of mandamus by punishment for contempt, and by such other writs and process, mesne or final, as are permitted to circuit courts and shall make such other orders or decrees as its discretion and the rules shall require. Such injunction or writ may be limited in time, perpetual or conditional, as may be necessary and proper to the enforcement of this chapter. The laws of the state now in force, and the rules of the supreme court regulating appeals in similar cases shall apply to appeals in cases brought under this section.

473.06 ORGANIZATION OF BOARD; TO KEEP RECORDS.—The board shall annually elect one of its members as chairman and shall select a secretary, who must be a member of the board. It shall make an annual written report to the governor. It shall keep all applications filed, all documents under oath, a record of the proceedings, and shall maintain a registry of the names and addresses of all persons applying for, and of those receiving, certificates under this chapter, any of which, or a certified copy thereof, shall be prima facie evidence of all matters set forth therein, and shall be admissible in evidence in all of the courts of this state.

473.07 MEETINGS OF BOARD; QUORUM.—Three members of the board shall constitute a quorum at any meeting duly called in accordance with the rules adopted by the board. The board shall hold a meeting at least twice each year, for the purpose of conducting an examination of those who have applied for certificates under this chapter. The time for holding such exami-

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nations shall be fixed by the rules of the board and may be changed from time to time, but no such change shall be made unless at least ten days' notice thereof shall have been given to all persons who have applications pending for certificates. The board may meet, for the purpose of holding examinations and conducting other business, at such places in the State of Florida as may be fixed by the board.

473.08 QUALIFICATIONS OF APPLICANT FOR EXAMINATION.—(1) Any person who is a citizen of the United States and a resident of the State of Florida, over the age of twenty-one years, of good moral character, and a graduate of a high school with a four years' course of study, or who has had an equivalent education, and who shall otherwise meet the qualifications specified in the rules of the board, shall be entitled to take an examination for the purpose of determining whether or not such person shall be permitted to practice in this State as a certified public accountant, provided such person

(a) is a graduate of at least a four-year accredited college or university course with a major in accounting, or

(b) has had not less than three years' experience in the practice of public accounting, or

(c) has been engaged in the occupation of keeping books of account concurrently for more than one individual or business in the State of Florida as his sole vocation for a continuous period of at least five years immediately preceding the date of his application to take such examination, and proof of compliance with this provision shall be established in such form as is prescribed by the rules of the State Board of Accountancy.

(2) A person who qualifies to take said examination pursuant to provisions of sub-paragraph (a) of paragraph (1) of this section, and who takes and passes said examination, shall not receive a certificate as a certified public accountant and shall not be permitted to practice public accounting in this State until he shall have completed one year of work in a registered accountant's office, or until he shall have successfully completed an additional accredited one year accounting course at an accredited college or university, and proof of compliance with the provisions of this paragraph shall be established in such form as is prescribed by the State Board of Accountancy.

(3) For the purpose of this section, a resident of Florida is defined as one who has resided in this State for at least two years immediately preceding the filing of his application, and who is legally domiciled in the State of Florida.

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(4) The provisions of sub-paragraphs (b) and (c) of paragraph (1) of this section shall be effective for a period of five years following the date of enactment of this amendment, after which period no person other than a graduate of at least a four-year accredited college or university course with a major in accounting shall be considered as having fulfilled the educational requirements necessary to qualify for an examination for the purposes of determining whether such person shall be permitted to practice as a certified public accountant, except that any person whose application for an examination shall have been approved by the State Board of Accountancy prior to the termination of said five year period shall be entitled to take such examination at any time or times during the period of five years immediately following the termination of the five year period first referred to in this paragraph.

(5) The State Board of Accountancy shall have the authority to establish the standards for determining and shall determine:

(a) what constitutes an education equivalent to that of a graduate of a high school with a four-year course of training;

(b) what educational institutions offer a four-year accredited college or university course, and

(c) what courses taken at such schools constitute a major in accounting, within the contemplation of this section.

473.09 APPLICATION; FEE; DISPOSITION OF FEE.—All persons desiring to receive a permit to practice as a certified public accountant in this state shall file a written application for leave to take an examination before the board and such application shall be upon a form to be prescribed by the board, and shall be signed and sworn to by the applicant. Each applicant shall remit to the board, at the time of filing such application, the sum of twenty-five dollars, which said sum of money shall be retained by, and become the property of the board in the event the applicant is permitted to take an examination. If the application to take the examination shall be denied, the said sum of money shall be returned to the applicant. All moneys received and collected by the board from applicants shall be disposed of in the manner provided by this chapter for the disposition of other funds coming into the hands of said board.

473.10 EXAMINATION OF APPLICANTS; SUBJECTS.—The board shall conduct examinations by the propounding of questions in writing. The method of conducting the examination and all regulations concerning

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the same shall be prescribed by the board in rules to be adopted in accordance with this chapter. The board shall prescribe by such rules methods for grading papers, and shall prescribe what shall constitute a passing grade entitling the applicant to a certificate. The examinations shall be in theory of accounts, practical accountancy, auditing, commercial law as affecting accountancy, and such other related subjects as shall be specified by the board.

473.11 (Repealed by Chapter 26483, Florida Laws 1951.)

473.12 **REGISTRATION AND PAYMENT OF FEES BY ACCOUNTANTS.**—Each person holding a certificate as a certified public accountant or certificate as a public accountant, whether granted under this chapter or under any other law of the State of Florida, shall, between the first day of January and the thirty-first day of March, in each year, notify the board in writing of his present place of residence, the name of any accountant or firm of accountants by whom he shall then be employed or the name of any firm of which he shall then be a member. At the time of transmitting such information he shall pay to the secretary of the board a registration fee each year in an amount to be established by the board; provided, however, that such registration fee shall not exceed the sum of twenty-five dollars for any one year.

Thereupon, the board shall issue to such person a registration card showing that such person has duly registered and is entitled to practice in the State of Florida as a certified public accountant or as a public accountant, as the case may be, for said year. If any person holding a certificate as a certified public accountant or as a public accountant shall fail to register and pay the fee annually, within the time and in the manner provided by this section, then at any time thereafter the board may give notice to such person by registered mail, at his address shown upon the records of the board, requiring such person to register and pay such fee within thirty days after the mailing of such notice. If such person shall fail to register and pay the said fee within the said period of thirty days, the board shall enter an order suspending the certificate of such person, and thereupon such person shall no longer be entitled to exercise or enjoy any of the rights or privileges conferred by such certificate until he shall have been reinstated by the board after having registered and paid all delinquent registration fees, as provided in this chapter; provided that if such person shall fail to register and pay such annual fee for a period of five consecutive years, the board may, before reinstating

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such person, require him to pass an examination prescribed by the board for reinstatement, which examination may be oral or written, in the discretion of the board.

473.13 PUBLICATION OF LIST OF ACCOUNTANTS.—The board may, in its discretion, establish such rules and regulations as to the publication of lists of persons holding certificates as certified public accountants and public accountants, as may in the judgment of the board be for the best interests of the profession of public accounting in the State of Florida.

473.14 TEMPORARY CERTIFICATE.—The board may, in its discretion, adopt rules and regulations providing for the issuance of temporary certificates to persons for the purpose of enabling such persons to fulfill specific engagements or employments, the contracts for which were entered into beyond the limits of the State of Florida.

No such temporary certificate shall be valid for more than ninety days after its issuance, and no certificate shall cover more than one engagement, and no such certificate shall be issued to any firm or copartnership unless all of the members thereof hold certificates as certified public accountants issued under the laws of another state or certificates as chartered accountants issued under the laws of a foreign country; and no such temporary certificate shall be issued to an individual unless he holds a certificate as a certified public accountant issued under the laws of another state or country, or a certificate as a chartered accountant issued under the laws of a foreign country. Each person applying for a temporary certificate shall pay to the board the sum of ten dollars, which shall be disposed of as other moneys are required to be disposed of under this chapter.

473.15 COMMUNICATIONS BETWEEN ACCOUNTANT AND CLIENT PRIVILEGED.—All communications between certified public accountants and public accountants and the person for whom such certified public accountant or public accountant shall have made any audit or other investigation in a professional capacity, and all information obtained by certified public accountants and public accountants in their professional capacity concerning the business and affairs of clients shall be deemed privileged communications in all of the courts of this state, and no such certified public accountant or public accountant shall be permitted to testify with respect to any of said matters, except with the consent in writing of such client or his legal representative.

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473.16 UNLAWFUL FOR CERTIFICATE HOLDER TO ACT AS AGENT FOR NON-RESIDENT ACCOUNTANT; EXCEPTIONS.—It is unlawful for any person holding a certificate as a certified public accountant or a certificate of authority as a public accountant to act as the representative, agent or manager, in the State of Florida, in connection with the practice of public accounting, of any person not authorized under the provisions of this chapter to practice public accounting in this state, or of any firm or association of persons, unless each member of such firm or association of persons shall be authorized to practice public accounting in this state under the provisions of this chapter; provided, that any certified public accountant or firm of certified public accountants residing beyond the limits of the State of Florida, who was or were represented on June 25, 1931, in the State of Florida by a representative, agent or manager, shall be permitted to continue to be represented in the state by such representative, agent or manager, but no new or successor representative, agent or manager in the State of Florida shall be appointed, employed or selected for such certified public accountant or firm of certified public accountants without the approval in writing of the board first being had and obtained.

473.17 USE OF "CERTIFIED PUBLIC ACCOUNTANTS" AND "PUBLIC ACCOUNTANTS" IN FIRM NAME.—Any firm, every member of which is a certified public accountant, after registering the firm name with the board, may use the designation "Certified Public Accountants" in connection with the firm name.

Any firm, every member and resident manager of which is either a certified public accountant or a public accountant, after registering the firm name with the board, may use the designation "Public Accountants" in connection with the firm name.

473.18 RECORDS, ETC., TO REMAIN PROPERTY OF ACCOUNTANT.—All statements, records, schedules and memoranda made by a certified public accountant or a public accountant or by the employee or employees of a certified public accountant or a public accountant, incident to, or in the course of, professional service to a client, except the reports submitted by such certified public accountant or public accountant to the client, shall be and remain the property of such certified public accountant or public accountant in the absence of an express agreement between the certified public accountant or public accountant and the client.

473.19 CERTIFICATES GRANTED TO HOLDERS FROM OTHER STATES.—The board may, in its dis-

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cretion, issue a certificate as a certified public accountant to any applicant who holds a valid and unrevoked certificate as a certified public accountant issued by, or under the authority of, another state or political subdivision of the United States, or who holds a valid and unrevoked certificate as a chartered accountant issued by, or under the authority of, a foreign country; provided, the applicant has complied with the provisions of this chapter and the rules of the board. The board shall not be required to issue any certificate under the provisions of this section unless: (1) the original certificate was secured as the result of an examination which in the judgment of the board was the equivalent of the standard established by it, and (2) the applicant has been engaged in the practice of public accountancy in Florida as a full-time employee of a certified public accountant, as defined in this chapter, for a period of two years, and is a resident, having resided continuously in the State of Florida for a period of two years, and (3) the state or country issuing the original certificate grants similar privileges to persons holding certificates as certified public accountants issued under the laws of this state, and, (4) the board is otherwise fully satisfied as to the moral and technical fitness of the applicant.

473.20 REVOCATION OF CERTIFICATES; GROUNDS; PROCEDURE.—Any certificate to practice as a certified public accountant or as a public accountant may be revoked and cancelled or suspended for a definite period, not to exceed two years, when it shall appear to the board:

(1) That such person has been guilty of an act described in Section 473.23; or

(2) That such person has been convicted of a felony; or

(3) That the certificate was obtained by fraud or deceit; or

(4) That such person has been guilty of any fraudulent, wrongful or unlawful act while holding such certificate; or

(5) That such person was guilty of a fraudulent, wrongful or unlawful act prior to the issuance of the certificate and of which the board did not have knowledge at the time of the issuance of the certificate; or

(6) That any reason exists which would have justified the refusal of the certificate in the first instance; or

(7) Because of the commission by the holder of a certificate of any act which renders him unfit to associate with the fair and honorable members of the accounting profession; or

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(8) That such person is an habitual drunkard.

A certificate may be revoked or suspended only by the unanimous vote of all members of the board for a period not to exceed two years for the violation by the holder thereof of any of the rules or canons of professional ethics promulgated by the board.

No certificate shall be revoked, or the operation thereof suspended, until after the board shall have had a hearing, at which the person holding such certificate shall be entitled to be present and to be represented by counsel. The board shall prescribe rules and regulations for receiving complaints against any person holding a certificate issued under this chapter and for the filing of charges against any such person by the board itself.

When any such complaint or charge shall be filed, a copy thereof shall be mailed, under the direction of the board, by registered mail, to the person against whom such complaint or charge is made, at the address of such person as shown upon the records of the board; and with such copy of the charge or complaint there shall be transmitted a notice that a hearing thereon will be had before the board at a time and place to be specified, not less than thirty days after the mailing of such notice. The burden of proof of such charges shall rest upon the persons who shall have preferred the same, or upon the board, as the case may be.

At the time fixed for such hearing, or at any adjournment which may be granted by the board, the matter shall proceed to hearing. The board, in its discretion, may be represented by counsel employed by the board. If the complaint or charge shall be sustained, the board may enter an order revoking or suspending the certificate, as provided by this chapter, or may censure the holder of the certificate. If the complaint or charge be not sustained, an order shall be entered by the board exonerating the holder of the certificate.

473.21 DISPOSITION OF FEES; COMPENSATION OF BOARD MEMBERS; DISPOSITION OF SURPLUS MONEY.—All moneys collected by the board from fees prescribed or authorized to be charged by this chapter, shall be received and accounted for by the board or by the secretary of the board, under its direction. Such moneys shall be deposited in the state treasury, and the same is hereby appropriated to defray the expenses of administration of this chapter, which shall include the per diem and actual traveling expenses of the members of the board and the secretary in attending official meetings; the salary of the secretary and incidental expenses of administration; the costs of taking testimony and

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procuring the attendance of witnesses before the board or its committees; office help and clerical help for the chairman of the board; costs of all legal proceedings taken under the provisions of this chapter for the enforcement thereof; costs of educational programs for the benefit of practicing certified public accountants, practicing public accountants and their employees, and all publicity campaigns and activities to inform the public of the character and value of the services rendered by certified public accountants and public accountants. Each member of the board shall be paid a per diem, not to exceed ten dollars per day, for time actually expended in pursuance of the duties imposed by this chapter; provided, that expenses incurred under this chapter shall not be a charge on any funds of the State of Florida other than those collected as fees under the provisions of this chapter. All bills shall be audited and approved by the board or by a committee of the board appointed for that purpose.

473.22 CARD, SIGN, ETC., AS EVIDENCE AGAINST ACCOUNTANT.—The display of a card, sign, advertisement or directory listing, or the issuance of a letterhead, bearing a person's name as a practitioner of public accounting, shall be prima facie evidence in any hearing or prosecution against such person that the person whose name is so carried thereon is responsible for the same and that he is announcing himself thereby to be engaged in the practice of public accounting. In any hearing or prosecution under this chapter, the proof of a single act prohibited by law shall be sufficient, without proving a general course of conduct.

473.23 PENALTY FOR SPECIFIC VIOLATIONS.—
Any person:

(1) Who shall use any other term than certified public accountant or the abbreviation C.P.A. to indicate that he is a public accountant with a specially granted title; or

(2) Who shall announce by printed or written statement that he holds any membership in any society, association or organization of professional public accountants, unless such society, association or organization has been officially recognized by the board; or

(3) Who shall, when practicing as a member of a firm, announce either in writing or by printing, or represent verbally, that the firm is practicing as "Certified Public Accountants", unless all members of the firm are holders of valid and unrevoked certificates as certified public accountants issued by the state board of accountancy of this state; provided, that any person holding a certificate in good standing as a certified public account-

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tant or as a public accountant granted by the state board of accountancy of this state, when acting as a representative, partner or manager of an individual or firm, properly qualified to practice public accounting under the laws of a state, or states, other than Florida, may hold out to the public that such individual is or that such individuals are, so qualified; or

(4) Who shall attempt to practice public accounting under an assumed name, or in the name of a corporation; or

(5) Who shall, as a member of a firm, announce either in writing or by printing, or represent verbally, that the firm is practicing as "Public Accountants", unless all members of the firm are holders of certificates of authority to practice as public accountants or certificates as certified public accountants within the meaning of this chapter; provided, that any person holding a certificate in good standing as a certified public accountant or as public accountant granted by the state board of accountancy of this state, when acting as a representative, partner or manager of an individual or firm, properly qualified to practice public accounting under the laws of a state or states, other than Florida, may hold out to the public that such individual is, or that such individuals are so qualified; or

(6) Who shall, as an officer of a corporation, permit it to practice public accounting; or

(7) Who holds himself out to the public as a certified public accountant, or who assumes to practice as a certified public accountant, unless he has received and holds a certificate as such from the board; or

(8) Who holds himself out to the public as a public accountant or who assumes to practice as a public accountant unless he has received and holds a certificate of authority from the board; or

(9) Who shall practice, or hold himself out as qualified to practice, as a certified public accountant or as a public accountant after his certificate has been revoked, or during the time that his certificate is suspended; or

(10) Who shall practice, as an individual or as a member of a firm, or who shall permit a firm of which he is a member to practice, as a certified public accountant or as a public accountant, unless a registration card has been duly secured for the current year in accordance with the provisions of this chapter; or

(11) Who shall sell, buy, give, or obtain an alleged certificate as a certified public accountant or certificate of authority or a registration card in any other manner than as provided for by this chapter; or

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(12) Who shall attempt to practice as a certified public accountant or as a public accountant under guise of a certificate not issued by the board, or under cover of a certificate obtained illegally or fraudulently; or

(13) Who shall knowingly certify to any false or fraudulent report, certificate, exhibit, schedule or statement; or

(14) Who shall attempt by any subterfuge to evade the provisions of this chapter while practicing public accounting; or

(15) Who shall, as an individual or as a member of a firm or as an officer of a corporation, permit to be announced by printed or written statement, or shall represent verbally, that any report, certificate, exhibit, schedule or statement has been prepared by a certified public accountant or by a public accountant when the person who prepared the same was not such certified public accountant or public accountant, except when such person is the employee of a certified public accountant or public accountant, or a firm of certified public accountants or public accountants;

Shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not more than five hundred dollars for each offense or imprisonment in the county jail for a period not exceeding six months.

473.24 USE OF TITLES "CERTIFIED PUBLIC ACCOUNTANT" AND "PUBLIC ACCOUNTANT"; PENALTY.—Any person who shall receive from the board under this chapter, or who shall have heretofore received from the board, a certificate to practice as a certified public accountant, shall be styled and known as a "certified public accountant", and no other person shall assume to use such title or the abbreviation "C.P.A." or any other word, words, letters or figures to indicate that the person using the same is a certified public accountant.

Any person who has heretofore received from the board a certificate of authority to practice as a public accountant shall be styled and known as a "Public Accountant" and no other person, except a certified public accountant, shall assume to use such designation to indicate that such person is entitled to practice as a public accountant in this state.

Any person holding a proper certificate of authority to practice as a public accountant in the State of Florida, and who is in good standing thereunder, and who holds a certificate as a certified public accountant issued by or under the authority of another state or political subdivision of the United States, may use the letters "C.P.A."

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after his name, provided he shows immediately after such letters that name of the state or political subdivision as aforesaid under whose authority such certificate was issued.

Any person violating any of the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction shall be punished by a fine of not more than five hundred dollars or imprisonment in the county jail for not more than six months.

473.25 PRACTICING WITHOUT CERTIFICATE UNLAWFUL; PENALTY.—No person may practice in this state as a certified public accountant or as a public accountant, nor hold himself out to the public as being qualified to practice public accounting, or any phase or branch thereof, in the State of Florida, unless such person shall be the holder of a certificate as a certified public accountant or as a public accountant then in full force and effect under the provisions of this chapter.

Any person violating the provisions of this section shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not more than five hundred dollars, or by imprisonment in the county jail for not more than six months.

473.26 EACH MEMBER OF FIRM MUST HAVE CERTIFICATE; MANAGEMENT OF OFFICE; PRACTICING UNDER AN ASSUMED NAME; PENALTY.—It shall be unlawful for any person to engage in the practice of public accounting in this state as a member of a firm unless he shall be the holder of a certificate as a public accountant or a certificate as a certified public accountant, issued by the board. It shall be unlawful for any office of a public accountant or certified public accountant in Florida to be managed by anyone other than a certified public accountant or public accountant, registered as such in Florida; provided, however, that, if on May 1, 1947, any office of a public accountant or certified public accountant was and continues to be managed by a person who is not a certified public accountant or public accountant registered as such in Florida, such person so managing said office shall be permitted to continue managing said office until May 1, 1950. No person shall practice public accounting in this state under an assumed name, and no certificate as a certified public accountant shall ever be granted to a corporation. Any person violating any of the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than five hundred dollars or by imprisonment in the county jail for not more than six months.

L A W S O F F L O R I D A

473.27 OCCUPATIONAL LICENSES.—Any state, county, or municipal official charged with the duty of collecting occupational taxes and issuing occupational licenses shall not issue to any person an occupational license to practice accountancy unless said person so applying for an occupational license shall produce to said official a registration card for the year in which application is made issued by the State Board of Accountancy showing that said applicant is the holder of a license to practice as a public accountant or as a certified public accountant under the provisions of the laws of this state.

473.28 (This section expired by its own terms on April 1, 1949.)

473.29 EXCEPTIONS.—Nothing contained in Sections 473.12, 473.19, 473.21, 473.26-473.28 shall be construed to apply to public bookkeepers or to the occupation of bookkeeping.

SECTION A OF RULES

RULES RELATING TO PRACTICE OF ACCOUNTANCY ADOPTED BY THE STATE BOARD OF ACCOUNTANCY IN ACCORDANCE WITH THE PROVISIONS OF CHAPTER 473, FLORIDA LAWS OF 1949.

1. (a) In determining whether or not an individual may be unlawfully engaged in the practice of public accounting, the State Board will look at all the circumstances involved in each particular case.
(b) The offering of his services as an independent contractor; the maintenance of an office for performance of work as distinguished from keeping of books and records at the place of business of the employer; the listing of one's name in the telephone and business directories as an accountant; the employment of others as assistants; all are facts tending to show that an individual is engaged in the practice of public accounting as distinguished from serving as a part-time book-keeper for one or more employers.
(c) The description of business activities in any form as a subterfuge to conceal the practice of public accounting, is considered to be illegal practice of public accounting.
2. Out-of-State Public Accountants and Certified Public Accountants and/or firms of Public Accountants and Certified Public Accountants practicing in the State of Florida, in accordance with the provisions of Section 473.16, shall show on their business stationery the name and address of his or their representative, agent or manager, in the State of Florida.
3. The use of any name or term prohibited by the provisions of this law by any individual or firm, shall be deemed sufficient to authorize the State Board of Accountancy in its discretion to refuse to issue, or if issued, to withhold registration cards from such individual or firm, so violating the provisions of this law, and to omit the name or names of such individuals or firm and the individual members thereof from the list of registered accountants published in accordance with the provisions of this law, until such individual or firm shall comply with the provisions of this law, and these rules.

SECTION A OF RULES

4. Any Certified Public Accountant, or Public Accountant, using the term, "and Company", to indicate other members of the firm, must show on its business stationery all of the names of the members of said firm. The term "and Company" shall not be used by any Certified Public Accountant, or Public Accountant, practicing as an individual.
5. The use of letters or terms descriptive of a practitioner's accounting qualifications, other than the terms "Certified Public Accountant" or "Public Accountant" as provided by law, is prohibited. Typical terms prohibited under this rule are: "Registered Accountant"; "Licensed Accountant"; "Certificate No....."; and/or "State Certificate".
6. The business stationery of firms practicing public accountancy in Florida shall show thereon the names of all members of the firm, and may show the names of any employees who are registered Certified Public Accountants of Florida, but no others. All firm names shall be registered with the State Board of Accountancy.

SECTION B OF RULES

RULES OF THE STATE BOARD OF ACCOUNTANCY RELATIVE TO EXAMINATIONS AND THE ISSUANCE AND REVOCATION OF CERTIFICATES

1. (a) Examinations shall be held in the months of May and November in each year simultaneously, in the cities of Jacksonville, Tampa, Miami and any other city in Florida designated by the Board. Notice of the time and place of the examination shall be mailed to each candidate whose application to take the examination shall have been filed with and approved by the Board.
- (b) Examinations shall be held in the following subjects: (1) Auditing, (2) Commercial Law, (3) Theory of Accounts, and (4) Accounting Practice. All question papers, stationery, etc., furnished by this Board shall remain its property and must be returned whether used or not.
- (c) Answers to the examination questions, identified by use of the proper question number, must be submitted by the respective candidates on blanks furnished by the Board and must be completed in the time allotted for each subject, which will be stated on the examination papers. Answers may be written in pencil or ink; however, credit will not be given for solutions that are illegible.
- (d) Each candidate shall be furnished a numbered identification card upon which he shall sign his name and address and then seal in an envelope and deliver to the examiner in charge. Thereafter the candidate shall identify his answers by noting such numbers on each sheet thereof and in no other manner. The signing of his name, initials or identification mark other than such number shall be sufficient cause for the rejection of his papers.
- (e) Reference by any candidate during the examination to books or other matters or the exchange of information with other persons shall be considered misconduct sufficient to bar the candidate from further participation in the examination.
- (f) A grade of not less than 75 is hereby prescribed as a passing grade for each subject. If a candidate shall receive a passing grade in all four subjects of the examination he shall upon approval by the Board be issued a certificate as a certified public accountant. If a candidate shall receive a passing grade in any two or more of the four subjects of the examination he may be conditioned in the

SECTION B OF RULES

other subject or subjects and may complete his examination in any one or all of the next five consecutive examinations. If such conditioned candidate shall receive a passing grade in the remaining subject or subjects in such next five consecutive examinations, he shall upon approval by the Board be issued a certificate as a certified public accountant. Failure to receive a passing grade in such manner within such next five consecutive examinations shall lapse the credit for the subjects passed and the candidate shall then be required to again be examined in all subjects.

- (g) The Secretary shall communicate to each applicant in writing the decisions of the Board reached in his case, which shall state the grade received on each subject of the examination. After three years the answers may be destroyed in the presence of a majority of the Board.
- 2. Applicants for permission to sit in the regular semi-annual examinations of the Board each year shall be filed with the Board not less than sixty days before said examinations take place.
- 3. The acceptance by this Board of an application to sit in any one of its regular semi-annual examinations shall cover the next five regular semi-annual examinations by the Board, but the Board reserves the right to cancel any such acceptance by issuing notice thereof in writing or by telegraph, or by telephone, not less than twenty-four hours prior to the beginning of any one of the five said examinations.
- 4. Employment, work and services in any Federal, State, County, District or Municipal Governmental service or agency, does not constitute experience in the practice of public accounting as required under the Act for the purpose of qualifying a person to take the certified public accountant examination. In the case of an applicant who holds a degree in business administration from a recognized college or university with a major in accounting, the Board will accept three years of employment as an auditor with the Office of the State Auditor of the State of Florida as the equivalent of the one year of experience required under the law. In the case of an applicant who otherwise meets the qualifications of the Board who is employed by the Bureau of Internal

SECTION B OF RULES

Revenue of the United States Treasury Department, the Board will accept three years of experience as an examiner, having attained grade nine, with such bureau as the equivalent of one year of experience otherwise required by law, for not more than two of the three required years.

5. Any certificate to practice as a Certified Public Accountant issued by this Board shall be signed by the chairman and by the secretary and by at least one other member of the Board, and shall be executed under the seal of the Board.
6. Annual registration cards of Certified Public Accountants and Public Accountants shall be signed by the Chairman and the Secretary of this Board, only, and shall have imprinted thereon a likeness of the seal of this Board.
7. Applications for certificates to temporarily practice public accounting in the State of Florida shall be made in writing and shall be investigated by the Secretary. Temporary certificates shall be signed by the Chairman and Secretary of the Board. Each year a list of all temporary certificates issued during the previous twelve months shall be entered in the minutes of the Board.
8. Applications for reciprocal certificates to be issued under Section 473.19 of the law shall be made in writing and approved by the Board, and must be accompanied by a fee of \$25.00 to cover cost of certificate, postage, etc.
9. All applications, either for admission to practice accountancy, for reinstatement, or for reciprocal certificates, or for any action which the Board is authorized to take pursuant to Chapter 473, Florida Statutes, shall be filed with the Secretary of the Board and shall be acted upon by the Board as promptly as may be. Upon the disposition of such matter, a record thereof shall be made by the Secretary in the official minute book of the Board, and notice of such action shall be promptly sent by the Secretary to the applicant. All such applicants, who shall feel aggrieved by any action of the Board shall have fifteen days after the mailing of the notice of the Board's action by the Secretary in which to petition the Board for a reconsideration of the application. If no such petition is filed within such fifteen days, the action of the Board shall be deemed final and

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shall not be subject to further reconsideration. If such petition is filed within said time, it shall be promptly acted upon by the Board, and the disposition thereof shall, if such a petition is denied, be deemed final and shall not be subject to further consideration.

10. Section 1: Upon the ascertainment by the Board that grounds exist for the taking of disciplinary action against the holder of any certificate, the Board shall file charges against such holder, which charges shall set forth the facts on which the action of the Board is based. Thereupon a copy of such charges shall be forthwith sent by registered mail to the person against whom they are made, at his address as shown upon the records of the Board, together with a notice stating the time and place at which a hearing will be had before the Board to inquire into the truth of such charges, which hearing shall not be less than thirty days or more than sixty days after the mailing of the notice.

Section 2: At the time and place stated in the notice, the Board will convene and hear the charges so filed. Evidence in support of the charges will be first offered and, if a prima facie case is established, the Board will then permit the person against whom such charges are filed to put on such evidence relevant and material to the issues as he may desire. At the conclusion of the taking of such testimony, opportunity will be given the accused to file within a reasonable time a brief in support of his position, and thereupon, the Board shall proceed to render a judgment in accordance with the facts and the law. A transcript of the testimony so taken shall be filed with the Board and a copy furnished to the accused at the expense of the Board.

11. Wherever, in the law governing this Board or in in these rules, any person subject thereto is required to have spent a year of employment with a Certified Public Accountant, such term shall be held and understood to mean the performance of services during a week consisting of not less than forty hours for fifty-two weeks.

SECTION C OF RULES

A STANDARD OF PROFESSIONAL CONDUCT AND RULES DEFINING UNETHICAL PRACTICES FOR PERSONS HOLDING CERTIFICATES UNDER CHAPTER 473, FLORIDA STATUTES 1949.

1. All former rules are hereby revoked.
2. These rules may be amended at any time by vote of the Board.
3. A Certified Public Accountant or Public Accountant shall not allow any person to practice in his name who is not in partnership with him or in his employ, and shall not certify to any accounts, exhibits, statements, schedules or other forms of accountancy work which have not been verified entirely under the supervision of himself, or a member of his firm, or associate or member of his staff.
4. The allowance, or agreement to allow, directly or indirectly, of a commission, brokerage, or other participation by the laity in the fees or profits of his professional work by a Certified Public Accountant or Public Accountant, or the acceptance, directly or indirectly, by any Certified Public Accountant or Public Accountant, practicing either on his or her own account, or as a member of a partnership or other organization, or as an employee of a Certified Public Accountant or Public Accountant, from the laity of any commission, brokerage or other participations for professional or commercial business turned over to the laity as an incident of service to clients, is unethical practice.
5. In expressing an opinion on representations in financial statements which he has examined, a Certified Public Accountant or Public Accountant shall be held guilty of unethical practice, if:
 - (a) He fails to disclose a material fact known to him which is not disclosed in the financial statements but disclosure of which is necessary to make the financial statements not misleading; or
 - (b) He fails to report any material misstatement known to him to appear in the financial statement; or

SECTION C OF RULES

- (c) He is grossly negligent in the conduct of his examination or in making his report thereon; or
 - (d) He fails to acquire sufficient information to warrant expression of an opinion, or his exceptions are sufficiently material to negative the expression of an opinion; or
 - (e) He fails to direct attention to any material departure from generally accepted accounting principles or to disclose any material omission of generally accepted auditing procedure applicable in the circumstances.
6. Any Certified Public Accountant or Public Accountant who has been found guilty of fraud or an attempt to defraud a client or any person, firm or corporation in connection with his professional work or business (by any court or commission, committee or other tribunal established by law) or who in his professional work or business has been guilty of conspiracy to defraud the government of the United States of America in any matters relating to Federal Income Tax, or Federal Estate Tax, or who has been barred from practice before the Treasury Department of the United States of America on account of having prepared fraudulent tax returns of any kind for a taxpayer, is deemed guilty of unethical practice.
7. Any Certified Public Accountant or Public Accountant who accepts or takes part in any engagement, either on his or her own account, or as a member of a partnership or other organization, or as the employee of a Certified Public Accountant or Public Accountant involving Income Tax, Estate Tax or other tax matters, with which the said Certified Public Accountant or Public Accountant has had prior contact as an employee of the United States Government or Political Subdivision thereof, is deemed guilty of unethical practice.
8. Any Certified Public Accountant or Public Accountant, practicing under the provisions of the above named law, who enters into a contract, expressed or implied, to perform a specific service or specific services, in consideration of the payment to such Certified Public Accountant or Public Accountant of a specified sum of money, which payment is to be for a definitely fixed

SECTION C OF RULES

amount, which amount is not based upon a per diem charge or upon the length of time required for the rendering of such service or services, and who fails to perform such service or services as he had agreed to perform, is deemed guilty of unethical conduct under the provisions of the law. This Board in determining whether or not the service or services so rendered have been or have not been rendered in accordance with the agreement with such Certified Public Accountant or Public Accountant, shall measure the extent and sufficiency of such service or services, according to the general understandings, customs and practice of the profession of public accountancy as practiced in the United States of America. In the event that this Board shall find such service or services have not been rendered in accordance with agreement, and so advises the said Certified Public Accountant or Public Accountant who shall then fail within a reasonable length of time to complete such service or services without further compensation in manner deemed satisfactory to this Board, unless excused therefrom by the client, then the said Certified Public Accountant or Public Accountant is deemed guilty of unethical conduct under the provisions of the law. PROVIDED, HOWEVER, that any person found by this Board to have been guilty of unethical conduct through failure to satisfactorily perform services as specified in this rule, and who thereafter completes the performance of such service in a manner satisfactory to this Board, within such time as to this Board shall appear to be fair and reasonable, shall not be deemed to be guilty of unethical conduct as specified in this rule.

9. The suspension and/or revocation by the Board issuing same of a certificate as Certified Public Accountant issued by another State, by virtue of which certificate the State Board of Accountancy of the State of Florida has issued to the holder thereof a reciprocity certificate as Certified Public Accountant, as provided for under Section 473.19 of the above named law, shall be taken and held as prima facie evidence of unethical conduct under the provisions of the law.
10. Any Certified Public Accountant or Public Accountant who knowingly hires anyone or has

SECTION C OF RULES

anyone in his employ who has had his certificate revoked by the State Board or Accountancy, or has been disbarred by the Treasury Department or has been convicted of a felony and has not been restored to his civil rights, is guilty of unethical practice.

11. A Certified Public Accountant or Public Accountant shall not make a competitive bid for professional engagements in any state, territory or the District of Columbia, if such a bid would constitute a violation of any rule of the recognized society of certified public accountants or the official board of accountancy in that state, territory, or district.
12. A Certified Public Accountant or Public Accountant shall not express his opinion on financial statements of any enterprise financed in whole or in part by public distribution of securities, if he owns or is committed to acquire a financial interest in the enterprise which is substantial either in relation to its capital or to his own personal fortune, or if a member of his immediate family owns or is committed to acquire a substantial interest in the enterprise. A Certified Public Accountant or Public Accountant shall not express his opinion on financial statements which are used as a basis of credit if he owns or is committed to acquire a financial interest in the enterprise which is substantial either in relation to its capital or to his own personal fortune, or if a member of his immediate family owns or is committed to acquire a substantial interest in the enterprise, unless in his report he discloses such interest.
13. A Certified Public Accountant or Public Accountant shall not permit his name to be used in conjunction with an estimate of earnings contingent upon future transactions in a manner which may lead to the belief that the Certified Public Accountant or Public Accountant vouches for the accuracy of the forecast.
14. Professional service shall not be rendered or offered for a fee which shall be contingent upon the findings of such service. This rule does not apply to cases involving federal, state or other taxes, in which the findings are those of the tax authorities and not those of the accountant. Fees

SECTION C OF RULES

to be fixed by courts or other public authorities, which are therefore of an indeterminate amount at the time when an engagement is undertaken, are not regarded as contingent fees within the meaning of this rule.

15. A Certified Public Accountant or Public Accountant shall not directly or indirectly solicit clients by circulars or advertisements, nor by personal communication or interview not warranted by existing personal relations, and he shall not encroach upon the practice of another public accountant or certified public accountant. However, any Certified Public Accountant or Public Accountant may furnish such services to those who request them.
16. Direct or indirect offer of employment shall not be made by a Certified Public Accountant or Public Accountant to an employee of another public accountant or certified public accountant without first informing such accountant. This rule shall not be construed so as to prohibit negotiations with anyone who of his own initiative or in response to public advertisement shall apply to a Certified Public Accountant or Public Accountant for employment.
17. A Certified Public Accountant or Public Accountant shall not advertise his professional attainments or services:
 - (a) The publication of what is technically known as a card is restricted to an announcement of the name, title (member of American Institute of Accountants, CPA, or other professional affiliation or designation), class of service and address of the person or firm, issued in connection with the announcement of change of address or personnel of firm, and shall not exceed two columns in width and three inches in depth if appearing in a newspaper, and not exceed one-quarter of a page if appearing in a magazine or similar publication.
 - (b) A paid listing in a directory is restricted to the name, title, class of service, address and telephone number of the person or firm and it shall not appear in bold type, box or other form of display

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